Election/Restrictions

Restriction to one of the following inventions is required under 35 U.S.C. 121:

I. Claims 1-6 are drawn to ***donating an insurance policy to a nonprofit entity, the nonprofit entity assigning a beneficial interest to a financial benefactor in exchange for a consideration from the financial benefactor***, and the nonprofit entity providing the financial benefactor with an opportunity to finance the insurance policy.

II. Claim 7, drawn to ***providing financing to a financial benefactor of the nonprofit entity***, a total financing of the financial benefactor including the provided financing, at least part of the total financing being applied to maintaining an insurance policy in force for the nonprofit entity, the nonprofit entity holding an insurance policy insuring a donor, the nonprofit entity assigning a beneficial interest under the insurance policy to the financial benefactor in exchange for a first right to a distribution from assets of the financial benefactor, the assets including a value of the insurance policy to the financial benefactor; and receiving a respective right to the distribution.

III. Claims 8-89 are drawn to ***receiving an assignment from the nonprofit entity of a death benefit of a life insurance policy held by the nonprofit entity, the life insurance policy insuring a life of a donor***; receiving an opportunity to maintain the life insurance policy; receiving financing, a total financing including the received fi-

nancing, at least some of the total financing being allocated to maintain the life insurance policy; and providing the nonprofit entity with a right to a first portion of a distribution from assets, the assets including a value of the death benefit of the life insurance policy.

IV. Claims 90-104, drawn to ***assigning a death benefit of a life insurance policy to a financial benefactor, the life insurance policy insuring a life of a donor***; assigning an opportunity to maintain the life insurance policy to the financial benefactor, the financial benefactor receiving financing, a total financing of the financial benefactor including the received financing, the financial benefactor allocating at least some of the total financing to maintain the life insurance policy; receiving a right to a first portion of the distribution by the financial benefactor from assets of the financial benefactor including a value of the death benefit of the life insurance policy.

V.Claims 105-115, drawn to ***donating the life insurance policy to the nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for a right to a first portion of a distribution from assets of the financial benefactor***, the assets including a cash value of the life insurance policy, the financial benefactor receiving an opportunity to maintain the life insurance policy, the financial benefactor receiving financing, a total financing of the financial benefactor including the received financing, a portion of the total financing being allocated to maintain the life insurance policy for the nonprofit entity.

VI. Claims 116-125, drawn to ***providing financing to a financial benefactor of the nonprofit entity, at least part of the provided financing being applied to at least one of maintaining an insurance policy in force, and purchasing an annuity***; and receiving a right to a respective portion of a distribution from assets of the financial benefactor including a cash value of the life insurance policy and the annuity, wherein the life insurance policy, insuring a life of a donor, is held by the nonprofit entity, the nonprofit entity assigning a death benefit on the life insurance policy to the financial benefactor in exchange for a right to a respective portion of the distribution, and wherein the financial benefactor purchases the annuity on the life of the donor to provide annuity payments to the financial benefactor for the life of the donor, and wherein the financial benefactor has an opportunity to maintain the life insurance policy.

VII. Claims 126-132, drawn to ***issuing a life insurance policy on a life of a consenting donor to a nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for an interest in a portion of a distribution from assets of the financial benefactor***, the assets including a cash value of a life insurance policy and an annuity purchased by the financial benefactor to provide annuity payments to the financial benefactor for the life of the donor; and receiving premium payments on the life insurance policy from the financial benefactor.

VIII. Claim 133, drawn to ***issuing a life insurance policy to a donor on a life of the donor, the donor donating the life insurance policy to a nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for an interest in a portion of a distribution from assets of the financial benefactor***, the assets including a cash value of a life insurance policy and an annuity purchased by the financial benefactor to provide annuity payments to the financial benefactor for the life of the donor; and receiving premium payments on the life insurance policy from the financial benefactor.

IX. Claim 134, drawn to ***selling an annuity to a financial benefactor of a non-profit entity, the nonprofit entity holding a life insurance policy on a life of a do-nor, and assigning a death benefit to the financial benefactor***, the financial bene-factor maintaining the life insurance policy and purchasing the annuity to provide the fi-nancial benefactor with annuity payments for the life of the donor, the financial benefac-tor distributing a first portion of the annuity payments to the nonprofit entity and other portions of the annuity payments as payments on financing provided to the nonprofit en-tity for the maintenance of the life insurance policy and the purchase of the annuity.

X. Claims 135-137, drawn to ***lending an amount to another entity, the lent amount being invested by the other entity in a financial benefactor of a nonprofit entity, the financial benefactor using the invested lent amount to maintain a life insurance policy held by the nonprofit entity on a life of a donor***, the nonprofit en-

tity assigning a death benefit of the life insurance policy to the financial benefactor in exchange for a right to a first portion of annuity payments from the financial benefactor, the financial benefactor purchasing an annuity to provide the annuity payments for the life of the donor with other invested funds and providing a second portion of the annuity payments as payments on the other invested funds; and receiving payments from the other entity, the other entity funding the payments with a third portion of the annuity payments provided by the financial benefactor to the other entity.

XI. Claims 138-139, drawn to ***an instrument for providing consent of a donor to a life insurance carrier to issue a life insurance policy on a life of the donor to a nonprofit entity***, the nonprofit entity assigning a death benefit on the life insurance policy to a financial benefactor in exchange for a portion of a distribution from assets of the financial benefactor, the assets of the financial benefactor including a cash value of the life insurance policy and an annuity purchased by the financial benefactor providing annuity payments to the financial benefactor for the life of the donor.

XII. Claim 140, drawn to ***a life insurance policy on a life of a donor, wherein the nonprofit entity is the owner of the life insurance policy, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor of the nonprofit entity***, the financial benefactor maintaining the life insurance policy and purchasing an annuity on the life of the donor to provide the financial benefactor with annu-

ity payments for the life of the donor, the financial benefactor providing a first portion of the annuity payments to the nonprofit entity.

XIII. Claim 141, drawn to *a **tradable instrument providing investment capital to the financial benefactor***, the financial benefactor maintaining a life insurance policy held by the nonprofit entity on a life of a donor with a portion of a total financing of the financial benefactor, the total financing including the investment capital, wherein the nonprofit entity assigns a death benefit of the life insurance policy to the financial benefactor in exchange for a right to a first portion of annuity payments from the financial benefactor, the financial benefactor purchasing an annuity with another portion of the total financing to provide the annuity payments to the financial benefactor for the life of the donor.

XIV. Claim 142, drawn to ***an annuity providing annuity payments to a financial benefactor of the nonprofit entity for a life of a donor***, the financial benefactor allocating a portion of the annuity payments to the nonprofit entity in exchange for a death benefit of the life insurance policy, the financial benefactor maintaining the life insurance policy for the nonprofit entity.

XV. Claims 143-146, drawn to ***an insured annuity, wherein the insured annuity includes: a life insurance policy insuring at least one insured benefactor, and an annuity providing annuity payments for a period of time***, the period of time being a

measured life of at least one of the at least one insured benefactor, wherein the life insurance policy is owned by the nonprofit entity, the nonprofit entity assigning at least a portion of a death benefit of the policy to a nonprofit development partner, the nonprofit development partner maintaining the life insurance policy with financing arising from debt financing provided by a bank to one of a preferred investor in the nonprofit development partner, the nonprofit development partner and the nonprofit entity, wherein the annuity is purchased by one of the nonprofit development partner and an equity investor with financing arising from equity financing provided by the equity investor, and wherein the insured annuity provides the nonprofit entity with consideration in exchange for the assignment of the portion of the death benefit of the policy to the nonprofit development partner.

XVI. Claim 147, drawn to ***a loan to an investor, the investor investing a principle of the loan in a financial benefactor of the nonprofit entity, the financial benefactor using the loan to maintain a life insurance policy held by the nonprofit entity on a life of a donor***, wherein the financial benefactor purchases an annuity to provide annuity payments for the life of the donor with other invested funds, wherein the nonprofit entity assigns a death benefit of the life insurance policy to the financial benefactor in exchange for a first portion of annuity payments from the financial benefactor, and wherein the financial benefactor allocates a second portion of the annuity payments for payments on the loan, and a third portion of the annuity payments as payments on the other invested funds used to purchase the annuity.

XVII. Claim 148, drawn to ***forming an entity to be the financial benefactor of the nonprofit entity, wherein the entity: accepts an assignment of a death benefit of the life insurance policy from the nonprofit entity, accepts invested capital from at least one primary investor for maintaining the life insurance policy, accepts invested capital from at least one secondary investor for purchasing an annuity to provide the entity with annuity payments for the life of the donor, grants an ownership interest to each of the nonprofit entity***, the at least one primary investor and the at least one secondary investor, each ownership interest entitling a respective holder of the interest to a portion of a distribution from assets of the entity, the assets of the entity including a cash value of the life insurance policy and the annuity payments.

XVIII. Claim 149, drawn to ***a donor; a nonprofit entity holding a life insurance policy on a life of a donor; and a financial benefactor to the nonprofit entity***, the financial benefactor having an annuity providing annuity payments on the life of the donor, the financial benefactor maintaining the life insurance policy and having a right to a death benefit of the life insurance policy, the financial benefactor providing the nonprofit entity with a first portion of the annuity payments.

XIX. Claim 150, drawn to ***a bond, the bond entitling a bearer of the bond with a right to a coupon payment and a repayment of a principal amount of the bond from a financial benefactor of the nonprofit entity***, wherein the nonprofit entity holds

a life insurance policy on a life of a donor, the nonprofit entity assigning a death benefit of the life insurance policy to the financial benefactor, wherein the financial benefactor maintains the life insurance policy and purchases an annuity providing the financial benefactor with annuity payments for the life of the donor, the financial benefactor providing periodic payments to the nonprofit entity backed by a first portion of distributions from assets including a cash value of the life insurance policy and the annuity, and wherein the coupon payments are backed by a second portion of the distributions by the financial benefactor, and the repayment of the principal amount of the bond is backed by a portion of the death benefit provided to the financial benefactor.

XX. Claim 151, drawn to ***receiving an assignment from a nonprofit entity of a death benefit of a life insurance policy held by the nonprofit entity, the life insurance policy insuring a life of a donor***; receiving an opportunity to maintain the life insurance policy; receiving financing arising from debt financing, at least some of the received financing being allocated for maintaining the life insurance policy; receiving a loan guaranty from an equity investor for the debt financing, the loan guaranty being a collateral assignment in charitable gift annuity payments received by the equity investor from the nonprofit entity, the equity investor purchasing a charitable gift annuity from the nonprofit entity, the nonprofit entity financing the charitable gift annuity payments on the charitable gift annuity with a portion of a commercial annuity purchased by the nonprofit entity from an annuity carrier, the nonprofit entity retaining a difference between the commercial annuity payments and the charitable gift annuity payments; providing con-

sideration to the equity investor for the loan guaranty; and providing the nonprofit entity with a right to a first portion of a distribution from assets, the assets including a value of the death benefit of the life insurance policy.

XXI. Claim 152, drawn ***to purchasing a charitable gift annuity from a nonprofit entity to receive charitable gift annuity payments from the nonprofit entity on a measured life of at least one insured benefactor to the nonprofit entity***; offering a loan guaranty on debt financing provided to at least one of a nonprofit development partner of the nonprofit entity, a preferred equity investor in the nonprofit development partner, and a bank providing the debt financing to at least one of the preferred equity investor, the nonprofit development partner and the nonprofit entity; and receiving consideration for the loan guaranty from at least one of the nonprofit entity, the nonprofit development partner, the preferred equity investor and the bank, wherein the nonprofit entity funds the charitable gift annuity payments with a portion of commercial annuity payments from a commercial annuity purchased by the nonprofit entity from an annuity carrier, wherein the nonprofit entity owns a life insurance policy insuring a life of the at least one insured benefactor, the nonprofit entity assigning a death benefit under the life insurance policy to the nonprofit development partner, and wherein the debt financing is used to generate funding used by the nonprofit development partner to maintain the life insurance policy, and wherein the loan guaranty includes a collateral assignment to one of the nonprofit entity, the nonprofit development partner, the preferred equity investor and the bank in the charitable gift annuity payments.

The inventions are distinct, each from the other because of the following reasons:

The inventions are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct if they do not overlap in scope and are not obvious variants, and if it is shown that at least one subcombination is separately usable. In the instant case, each subcombination (Group) has separate utility, distinct from the other Groups, as delineated by the italicized text above. See MPEP § 806.05(d).

The examiner has required restriction between subcombinations usable together. Where applicant elects a subcombination and claims thereto are subsequently found allowable, any claim(s) depending from or otherwise requiring all the limitations of the allowable subcombination will be examined for patentability in accordance with 37 CFR 1.104. See MPEP § 821.04(a). Applicant is advised that if any claim presented in a continuation or divisional application is anticipated by, or includes all the limitations of, a claim that is allowable in the present application, such claim may be subject to provisional statutory and/or nonstatutory double patenting rejections over the claims of the instant application.

1. Restriction for examination purposes as indicated is proper because all these inventions listed in this action are independent or distinct for the reasons given above <u>and</u> there would be a serious search and examination burden if restriction were not required because one or more of the following reasons apply:

2.

(a) the inventions have acquired a separate status in the art in view of their different classification;

(b) the inventions have acquired a separate status in the art due to their recognized divergent subject matter;

(c) the inventions require a different field of search (for example, searching different classes/subclasses or electronic resources, or employing different search queries);

(d) the prior art applicable to one invention would not likely be applicable to another invention;

(e) the inventions are likely to raise different non-prior art issues under 35 U.S.C. 101 and/or 35 U.S.C. 112, first paragraph.

Applicant is advised that the reply to this requirement to be complete must include (i) an election of a invention to be examined even though the requirement may be traversed (37 CFR 1.143) **and (ii) identification of the claims encompassing the elected invention**.

The election of an invention may be made with or without traverse. To reserve a right to petition, the election must be made with traverse. If the reply does not distinctly and specifically point out supposed errors in the restriction requirement, the election shall be treated as an election without traverse. Traversal must be presented at the time of election in order to be considered timely. Failure to timely traverse the requirement will result in the loss of right to petition under 37 CFR 1.144. If claims are added after

the election, applicant must indicate which of these claims are readable on the elected invention.

If claims are added after the election, applicant must indicate which of these claims are readable upon the elected invention.

Should applicant traverse on the ground that the inventions are not patentably distinct, applicant should submit evidence or identify such evidence now of record showing the inventions to be obvious variants or clearly admit on the record that this is the case. In either instance, if the examiner finds one of the inventions unpatentable over the prior art, the evidence or admission may be used in a rejection under 35 U.S.C. 103(a) of the other invention.

Status of Claims

Claims 1-152 are currently pending in the instant application. Applicant elected claims 8-89 without traverse on 9-28-2009 after a restriction requirement. Claims 1-7 and 90-152 are withdrawn from further consideration pursuant to 37 CFR 1.142(b), as being drawn to a non-elected invention, there being no allowable generic or linking claim. Applicant is herein being requested to cancel the withdrawn claims in a future correspondence.

Priority

Acknowledgment is made of applicant's claim for a domestic priority date of 3-14-2003. The certified copy has been filed in Application No. 10692219.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 8-89 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

With respect to claims 8-89, based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr,* 450 U.S. 175, 184 (1981); *Parker* v. *Flook,* 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson,* 409 U.S. *63,* 70 (1972); *Cochrane* v. *Deener,* 94 U.S. 780,787-88 (1876)).Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for ex-

ample by identifying the material that is being changed to a different state. The claims fail to tie the method to another statutory class (e.g. computer).

The instant application does not contain and computer or functionality in the body of the independent claim. It consists for the most part of human and mental steps. In order for the instant application to be in compliance with U.S.C. Title 35, §101, the entire invention must be tied to computer architecture and functionality.

Amendment to add a tie to another statutory category of invention such as a machine (e.g., computer) which performs a substantive method step is recommended to resolve the rejection under 35 U.S.C. 101.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 8 is rejected under this statute as containing vague and indefinite language. Specifically, 3 of the limitations recite ‘receiving.’ “Receiving an assignment...,” “Receiving an opportunity...” and “Receiving financing...” It is unclear who the receiver is in each of these steps. For purposes of examination, the examiner will interpret the receiver as being the non-profit entity.

Claim 8 also recites, "Receiving an opportunity to maintain the life insurance policy." An opportunity to maintain an insurance policy is very broad language, and the metes and bounds of such a limitation are not discernable. For purposes of examination, examiner will interpret the limitation to mean that one is offered a life insurance policy.

Claim 82 is vague and ambiguous. Examiner does not clearly understand what is meant by selecting a life insurance company to provide life insurance for a select donor as a function of at least one criterion of the life insurance company. For purposes of examination, examiner will interpret this to mean that an insurance company must be in the business of writing policies for the purpose of donating to a nonprofit or charitable entity.

Drawings

The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference character(s) not mentioned in the description: Label 504 of figure 5.

Corrected drawing sheets in compliance with 37 CFR 1.121(d), or amendment to the specification to add the reference character(s) in the description in compliance with 37

CFR 1.121(b) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

Claims 8-89 are rejected under U.S.C. Title 35, §102(a) are rejected as being anticipated by US20030105690, *Brown et al.*

As to claim(s) 8, *Brown* teaches:

receiving an assignment from the nonprofit entity of a death benefit of a life insurance policy held by the nonprofit entity, the life insurance policy insuring a life of a donor (At least paragraph(s) 6, 8, 27 and claim 1);

receiving an opportunity to maintain the life insurance policy (At least paragraph(s) 14);

receiving financing, a total financing including the received financing, at least some of the total financing being allocated to maintain the life insurance policy (At least claim 2);

and providing the nonprofit entity with a right to a first portion of a distribution from assets, the assets including a value of the death benefit of the life insurance policy (At least claim 1).

As per claim(s) 9. *Brown* recites:

receiving debt financing to maintain the life insurance policy (At least paragraph(s) 9).

With respect to claim(s) 10. *Brown* discusses:

receiving financing arising from debt financing to maintain the life insurance policy (At least paragraph(s) 9).

In reference to claim(s) 11. *Brown* describes:

receiving equity financing to maintain the life insurance policy (At least claim 2).

Concerning claim(s) 12, *Brown* discloses: receiving debt and equity financing to maintain the life insurance policy (At least claim 2).

As per claim(s) 13, *brown* teaches:

receiving financing to maintain the life insurance policy from another entity, the other entity incurring debt financing, at least some of the debt financing being applied to provide the financing to maintain the life insurance policy (At least claim 8).

As to claim(s) 14, *Brown* recites:

using at least some of the total financing to pay premiums on the life insurance policy (At least paragraph(s) 9).

With respect to claim(s) 15, *Brown* discusses:

allocating a second portion of the distribution from the assets as payments on the financing used to pay the premiums on the life insurance policy (At least paragraph(s) 9).

In reference to claim(s) 16, *Brown* discloses:

acquiring an annuity on the life of the donor to provide annuity payments during the life of the donor (At least claim 1).

Concerning claim(s) 17, *Brown* describes:

using at least some of a remaining portion of the total financing to purchase the annuity (At least claim 2).

As to claim(s) 18, *Brown* describes:

allocating to the nonprofit entity a first portion of the distribution from the assets, the assets including a cash value of the life insurance policy and the annuity payments (At least paragraph(s) abstract).

In reference to claim(s) 19, *Brown* teaches:

providing periodic payments to the nonprofit entity from a first portion of at least one of the cash value of the life insurance policy and the annuity payments (At least paragraph(s) 1 and 2).

As per claim(s) 20, *Brown* discusses:

assigning an ownership interest to the nonprofit entity, the ownership interest including an entitlement to the periodic payments (At least claim 7).

With respect to claim(s) 21, *Brown* discloses:

allowing a first distribution from a cash value of the life insurance policy to the nonprofit entity on a periodic basis (At least paragraph(s) 1 and 2).

As per claim(s) 22, *Brown* recites:

purchasing a single premium immediate annuity from a life insurance company, providing periodic cash flows based upon the life of the donor, the periodic cash flows being the annuity payments (At least paragraph(s)a 6 and 7)..

With respect to claim(s) 23, *Brown* teaches:

allocating a second portion of the distribution from the assets as payments on the financing used to purchase the annuity (At least claims 1 and 2).

With respect to claim(s) 24, *Brown* discusses:

using equity financing to purchase the annuity with a lump sum payment (At least paragraph(s) 7, 10 and abstract).

In reference to claim(s) 25, *Brown* discloses:

using debt financing to purchase the annuity with a lump sum payment (At least paragraph(s) 7, 10 and abstract).

Concerning claim(s) 26, *Brown* describes:

using debt and equity financing to purchase the annuity with a lump sum payment (At least paragraph(s) 7, 10 and abstract).

As to claim(s) 27, *Brown* teaches:

using at least some of the total financing to pay premiums on the life insurance policy (At least paragraph(s) 9).

As per claim(s) 28, *Brown* recites:

allocating a third portion of the distribution from the assets as payments on the financing used to pay the premiums on the life insurance policy (At least paragraph(s) 9 and claims 1 and 2).

With respect to claim(s) 29, *Brown* discusses:

accepting financing from at least one source (At least paragraph(s) 15).

Concerning claim(s) 30, *Brown* discloses:

purchasing the annuity with at least some of the financing from the at least one source (At least paragraph(s) 7).

In reference to claim(s) 31, *brown* describes:

accepting one of debt financing, equity financing, and a combination of debt and equity financing from each of the at least one source (At least paragraph(s) 15).

With respect to claim(s) 32, *Brown* teaches:

accepting financing from a primary investor (At least paragraph(s) 15).

As to claim(s) 33, *Brown* recites:

allocating a second portion of the distribution to the primary investor (At least paragraph(s) 25).

In reference to claim(s) 34, *Brown* discusses:

using the financing from the primary investor to purchase the annuity with a lump sum payment (At least paragraph(s) 7 and abstract).

With respect to claim(s) 35, *Brown* discloses:

accepting additional financing from a secondary investor (At least paragraph(s) 15).

As per claim(s) 36, *Brown* teaches:

accepting additional equity financing from a secondary investor, the secondary investor funding the additional equity financing with debt financing incurred by the secondary investor (At least paragraph(s) 5-9).

As to claim(s) 37, *Brown* recites:

allocating an additional portion of the distribution to the secondary investor, at least some of the additional portion being allocated by the secondary investor as payments on the incurred debt financing (At least paragraph(s) 5-9).

In reference to claim(s) 38, *Brown* discusses:

allocating an additional portion of the distribution to the secondary investor (At least paragraph(s) 25).

Regarding claim(s) 39, *brown* discloses:

using the additional financing from the secondary investor to pay premiums on the life insurance policy (At least paragraph(s) 5-7, 9 and abstract).

With respect to claim(s) 40, *Brown* describes:

receiving the death benefit of the life insurance policy upon the death of the donor (At least paragraph(s) 27 and claim 6).

Concerning claim(s) 41, *Brown* addresses:

allocating a portion of the death benefit to a primary investor (At least paragraph(s) 25).

As per claim(s) 42, *Brown* teaches:

allocating a portion of the death benefit to a secondary investor (At least paragraph(s) 25).

As to claim(s) 43, *Brown* recites:

allocating a portion of the death benefit to the nonprofit entity (At least paragraph(s) 25).

In reference to claim(s) 44, *Brown* discusses:

the nonprofit entity with an ownership interest entitling the nonprofit entity to at least the first portion of the distribution (At least paragraph(s) 12).

Regarding claim(s) 45, *Brown* discloses:

providing a primary investor with an ownership interest entitling the primary investor at least a second portion of the distribution (At least paragraph(s) 12).

With respect to claim(s) 46, *Brown* describes:

providing a secondary investor with an ownership interest entitling the secondary to at least a third portion of the distribution (At least paragraph(s) 12).

Concerning claim(s) 47, *Brown* addresses:

engaging in at least one capital market transaction (At least paragraph(s) 5-9).

As per claim(s) 48, *Brown* teaches:

bundling a return on the insurance policy and the annuity together with the return on at least one of the capital market transactions (At least paragraph(s) 25).

As to claim(s) 49, *Brown* does not specifically recite purchasing at least one of a fixed income security, an equity security, a future, an option, and an asset swap, however Official Notice is taken that equities, futures options and swaps are old and well known in the art. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to include securities, futures, options and swaps into the instant application as this expands the number assets available for use with the invention.

In reference to claim(s) 50, *Brown* discusses:

receiving from the nonprofit entity the assignment of the death benefit of a universal life insurance policy held by the nonprofit entity on the life of the donor (At least claim 6 and abstract).

Regarding claim(s) 51, *Brown* discloses:

receiving from the nonprofit entity the assignment of the death benefit of a term life insurance policy held by the nonprofit entity on the life of the donor (At least claim 6 and abstract).

With respect to claim(s) 52, *Brown* dies not describes receiving from the nonprofit entity an assignment of a right to determine whether to renew the term life insurance policy, however Official Notice is taken that policy renewal is a fairly common option in most any type of insurance policy. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to include a renewal option as doing so extends the invention resulting in increased revenues for the non-profit entity.

Concerning claim(s) 53, *Brown* addresses:

receiving from the nonprofit entity the assignment of the death benefit of a variable life insurance policy held by the nonprofit entity on the life of the donor (At least paragraph(s) 6, 8, 27, claim 6 and abstract).

As per claim(s) 54, *Brown* teaches:

receiving from the nonprofit entity an assignment of a right to direct investment of a reserve fund of the variable life insurance policy (At least paragraph(s) 25).

As to claim(s) 55, *Brown* recites:

depositing the reserve fund in at least one segregated account (At least paragraph(s) 5-9).

In reference to claim(s) 56-59, the instant application does not specifically teach hedge funds, mutual funds, stock portfolios or money market funds, however Official Notice is taken that these types of investment vehicles are old and well known in the art. See the discussion of claim 49 for the rationale.

Regarding claim(s) 60, *Brown* discloses:

determining a required return on investments including the life insurance policy and the annuity (At least paragraph(s) 25).

With respect to claim(s) 61, *brown* describes:

receiving from the nonprofit entity the assignment of the death benefit of the life insurance policy held by the nonprofit entity on the life of a selected donor (At least paragraph(s) 27, claim 6 and abstract).

Concerning claim(s) 62, *Brown* addresses:

selecting at least one donor as a function of at least one underwriting characteristic of each prospective donor in a set including at least one prospective donor (At least claims 1 and 2).

As per claim(s) 63, *Brown* teaches:

selecting at least one donor from a prospective donor set including at least one prospective donor, as a function of at least one characteristic of each of the at least one prospective donor (At least claims 1 and 2).

As to claim(s) 64, *Brown* recites:

selecting donors from a database storing information related to the at least one characteristic of each prospective donor in the prospective donor set, the at least one characteristic including at least one of an age, sex, occupation, employment status, health status, household income, net worth, country of origin, current location of residence, donative desire, donative intent, and current amount of insurance held by the prospective donor(At least claims 1 and 2) .

In reference to claim(s) 65, *Brown* discusses:

generating a prospective donor set including at least one prospective donor (At least claim 1).

Regarding claim(s) 66, *Brown* does not recite searching an alumni database for prospective donors, however Official Notice is taken that searching databases is old and well known in the art. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to include searching an electronic databases as this adds speed to the function of the invention.

With respect to claim(s) 67 and 68, searching the alumni database by graduating year of the alumni of one of a university and a college and selecting a university or college as a nonprofit entity is a matter of design choice. How a particular database is searched and who the nonprofit entity is does not materially affect the function of the invention.

As per claim(s) 69-72, *Brown* does not disclose obtaining consent, however Official Notice is taken that obtaining consent from a donor to obtain a life insurance policy on the donor is old and well known in the insurance industry. In most insurance companies, it is an intrinsic requirement. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to obtain the consent of the donor so as to stave off any legal contests as to who the beneficiary is upon the death of the insured.

With respect to claim(s) 73, *Brown* describes:

allocating the first portion of the distribution to the nonprofit entity selected by the donor (At least paragraph(s) 25 and claim 1).

Concerning claim(s) 74, *Brown* addresses:

allocating the first portion of the distribution to the nonprofit entity for a charitable cause selected by the donor (At least paragraph(s) 25 and claim 1).

As per claim(s) 75, *Brown* teaches:

generating a select donor list, the select donor list including the at least one donor (At least claims 1 and 2).

As to claim(s) 76, *Brown* recites:

providing the select donor list to an insurance agent (At least claims 1 and 2).

In reference to claim(s) 77, *Brown* discusses:

processing life insurance applications on each select donor in the select donor list (At least paragraph(s) 18).

Regarding claim(s) 78, *Brown* does not recite obtaining information from each select donor necessary to complete the life insurance application for the select donor, however Official Notice is taken that obtaining information from the prospective insured is a common practice among underwriters. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention include obtaining information about the insured since doing so assures a complete application.

With respect to claim(s) 79 and 80, *Brown* does not disclose selecting a type of life insurance policy for each select donor, wherein the type of life insurance policy includes one of a universal life insurance policy, a whole life insurance policy, a variable universal life insurance policy and a term life insurance policy, however universal life, whole life and variable universal life are different types of policies offered by most major underwriters. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to include a variety of policy types so as to maximize the choices available.

Concerning claim(s) 80, selecting a universal life insurance policy as the life insurance policy is a matter of design choice. The type of policy chosen does not materially affect the function of the invention.

As per claim(s) 81, *Brown* teaches:

submitting a life insurance application on each select donor in the select donor list (at least claim 1).

As to claim(s) 82, *Brown* recites:

selecting a life insurance company to provide life insurance for a select donor as a function of at least one criterion of the life insurance company (At least paragraph(s) 21).

In reference to claim(s) 83, *Brown* discusses:

selecting the life insurance company as a function of at least one of a credit rating of the life insurance company, and a premium and a death benefit of a life insurance policy offered by the life insurance company for the select donor (At least paragraph(s) 21).

Regarding claim(s) 84, *Brown* discloses:

insurance company includes the step of: selecting the life insurance company from a plurality of life insurance companies (At least paragraph(s) 21).

With respect to claim(s) 85, *Brown* describes:

selecting an optimal policy as the life insurance policy for the donor as a function of at least one variable relevant to an overall economic performance of the life insurance policy (At least paragraph(s) 5-9).

Concerning claim(s) 86, *brown* addresses:

determining an expected internal rate of return on the death benefit of the life insurance policy, as an indication of the overall economic performance of the life insurance policy (At least paragraph(s) 25).

As per claim(s) 87, *Brown* does not teach maintaining the life insurance policy in force; however Official Notice is taken that maintaining a policy in force is old and well known in the art. It would have been prima facie obvious to one of ordinary skill in the art at the time of the invention to keep a policy from lapsing so as to allow for the instant application to continue functioning.

As to claim(s) 88, *Brown* recites:

paying periodic premiums on the life insurance policy with investment capital from an investor (At least paragraph(s) 5-7, 9 and abstract).

In reference to claim(s) 89, *Brown* discusses:

determining a required return on the investment capital (At least paragraph(s) 25).

Conclusion

The following prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

US 5752236 A	*Sexton; Frank M. et al.*
US 5806042 A	*Kelly; William Franklin et al.*

US 20030074233 A1 *Lee, John Ridings*

US 20050234747 A1 *Kavanaugh, Bart*

US 20040177021 A1 *Carlson, Joseph W. et al.*

US 20040030589 A1 *Leisher, Steven Charles et al.*

US 20030074232 A1 *Lee, John Ridings*

US 20020087365 A1 *Kavanaugh, Bart*

US 20020035489 A1 *Herman, Rosalind et al.*

US 6950805 B2 *Kavanaugh; Bart*

US 20040138972 A1 Mendelsohn, Michael

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert R. Niquette whose telephone number is 571-270-3613. The examiner can normally be reached on Monday through Thursday, 5:30 AM to 4:00 PM EDT.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles Kyle can be reached on 571-272-6746. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for

unpublished applications is available through Private PAIR only. For more information about the PAIR system, http://portal.uspto.gov/external/portal/pair. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Robert R. Niquette/
Examiner, AU 3695
1-5-2010

/Charles R. Kyle/
Supervisory Patent Examiner, Art Unit 3695